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June 23, 2011

An Overview of Brown County's 2011 Annual Trending

The following steps were taken to conduct the 2011 annual trending in Brown County:

General Overview:

Overall the Brown County market remains flat to a small decline. Due to the limited number of sales, sales from 1/1/2009 through 2/28/2011 were utilized for all class studies. There was no time adjustment of any sales, due to percentage of change remaining relatively flat. Within the county, sales around the Cordry/Sweetwater Lake and Lake Lemmon area remain strong. The biggest drop off of sales activity was in the improved commercial class.

Sales were the basis for any change in assessments for residential improved and unimproved properties. Each neighborhood was reviewed on its own merit and changed accordingly

Updated cost tables were the basis for any change in assessments for improved commercial and industrial properties. The cost table adjustments resulted in certain property classes reflecting an increase in their base price, while others reflected a decrease in their base price. Depreciation was updated to the year 2011. Based upon the age of the property determined how much if any additional depreciation was credited to the property. Those properties that were already fully depreciated were not affected by this depreciation year change.

Land Values:

New land values were reviewed and remained rather constant county wide for both residential and commercial/industrial properties. The entire land review process resulted in minimal amount of change. The primary change in assessments for these classes was conducted through the use of change in market adjustment factors (residential improved) and cost table/depreciation adjustments (commercial/industrial improved). The Lake Lemmon area saw the biggest increase in land value changes as the prime water land rates were severely undervalued. Values were also increased in this area so that they were more consistent with the land values of neighboring Monroe County. Lake Lemmon borders both of these counties. The two Lake Lemmon neighborhoods effected by the land changes were 7055110 and 7055120.

Within the commercial vacant group, there was only one (1) valid sale available for use for the timeframe mentioned above. The one sale from the 2009 period and used in the 2010 ratio study was not used as this property was appealed during the year and reduced well below the purchase price by the PTABOA. Only the township of Washington has more than 25 vacant commercial properties. Looking back to prior year studies, there never has been greater than four (4) sales available for use.

Market Adjustment Factors (Residential):

Each and every neighborhood was reviewed on its own sales information. If a market adjustment factor was warranted a new factor was calculated and entered into the CAMA system. When necessary neighborhoods were combined for review of their sales trend and adjusted accordingly (if any). This analysis resulted in various neighborhoods remaining flat while others saw decreases with one neighborhood experiencing an increase in its factors. Listed below by taxing district are those neighborhoods that experienced some change when less than five (5) sales were used in the trending process. The entire taxing district #001 (Hamblen/Conservancy) has been reassessed and those changes are reflected in this study. Residential neighborhoods for this area are 7065010, 7065015, 7065030, 7065035 and 7065060.

NASHVILLE:

NBHD 7015010: was trended slightly downward based upon its comparison to nbhd 7015030 – total of 5 sales were used between the two nbhd's

NBHD 7015015: was trended slightly downward based upon the use of less than 5 sales. Sales accounted for 5% of the improved parcel count

NBHD 7015030: was trended slightly downward based upon the use of less than 5 sales. Sales accounted for 5% of the improved parcel count

NBHD 7015050: was trended slightly downward based upon the reduction in land base rate.

NBHD 7015100: was trended downward based upon its comparison to nbhd 7035140

NBHD 7015160: was trended downward based upon its comparison to nbhd 7035160 – nbhd was created from annexed parcels originating from 7035160

NBHD 7015500: was trended downward based upon its comparison to nbhd 7055500 – nbhd was created from annexed parcels originating from 7035500. All Tourist Home nbhd's throughout the county were compared together – a total of 5 sales were used

VAN BUREN:

NBHD 7025020: was trended downward based upon the use of less than 5 sales. Sales accounted for 15% of the improved parcel count

NBHD 7025040: was trended downward based upon the reduction in land base rate and one sale. Sales accounted for 20% of the improved parcel count

WASHINGTON:

NBHD 7035010: was trended based upon land base rate change, which resulted in the need to recalculate the market factor – nbhd 7035010 and nbhd 7035020 are located in the Summerset Lake subdivision area – 7035010 is on-water parcels and 7035020 are off-water parcels

NBHD 7035020: was trended based upon the land base rate change, which resulted in the need to recalculate the market factor - nbhd 7035020 and nbhd 7035010 are located in the Summerset Lake subdivision area – 7035020 is off-water parcels and 7035010 are on-water parcels

NBHD 7035030: was trended slightly downward based upon the use of less than 5 sales. Sales accounted 7% of the improved parcel count

NBHD 7035040: was trended slightly downward based upon its comparison to nbhd 7015030, which had sales indicating a downward trend.

NBHD 7035100: was trended slightly downward based upon the use of less than 5 sales. Sales accounted for 6% of the total improved parcel count. NBHD is a small private lake subdivision.

HAMBLE:

NBHD 7045010: was trended based upon the use of less than 5 sales. Sales accounted for 5% of the total improved parcel count. Land was also adjusted in this neighborhood

NBHD 7045020: was compared with 7045010 and adjusted accordingly. These two neighborhoods are within a subdivision on a private lake. NBHD 7045020 is the off-water subdivision and 7045010 is the on-water subdivision.

NBHD 7045040: was compared with 7045050 (township base) and trended downward accordingly based upon the sales from 7045050

JACKSON:

NBHD 7055010: was compared with 7055140 (township base) and trended downward accordingly based upon the sales from 7055140

NBHD 7055040: was compared with 7055140 (township base) and trended downward accordingly based upon the sales from 7055140

NBHD 7055050: was compared with 7055140 (township base) and trended downward accordingly based upon the sales from 7055140

NBHD 7055110: was trended based upon the use of less than 5 sales. Sales accounted for 4% of the improved parcel count. The land base rate was also adjusted for this neighborhood. This is a water frontage Lake Lemmon neighborhood.

NBHD 7055120: was trended based upon a land base rate change. The market adjustment factor was adjusted accordingly due the change in land rates

NBHD 7055170: was compared with 7055140 (township base) and trended downward accordingly based upon the sales from 7055140

NBHD 7055190: was compared with 7055140 (township base) and trended downward accordingly based upon the sales from 7055140

Cost Table Updates (Commercial):

New commercial and industrial cost table updates were the starting point for updating commercial and industrial improvement values. The depreciation year was also change. Only the townships of Washington and Jackson have more than twenty-five (25) improved commercial properties. No township has more than twenty-five (25) improved industrial properties. Sales were extremely limited as there were only three (3) sales, all from Washington Township available for use. Due to less than five (5) valid sales during the time period, the PRD for this class can not be verified by running the Spearman Test. The 2010 ratio study had only one (1) sale from the 2009 time period. This sale was trimmed from this study as there was extensive new construction associated with the property during the course of the year. All other sales from the prior year's study were significantly outside of the time frame for this study.

Use of Sales information

Brown County is committed to utilizing as many valid sales as possible, including multiple parcel sales. As stated above, the time period for sales used was from January 1, 2009 through February 28, 2011 for all class studies. There was no time adjustment for any of the sales used. Within the ratio study file, there are worksheets titled, "Sales marked valid but not used". An explanation as to why they weren't used is also listed. A separate worksheet titled, "Sales marked valid but used", is also included. Brown

County is committed to using as many sales as possible, evident by the extreme number of multiple parcel sales included in the study.